the construction of hotels directly, as it is a private sector activity.

(c) At present, Vayudoot has no plans to introduce a service to Kanya Kumari.

Relaxation of **rules by RBI** for Loan**and interest payment** for **sickIndustries**

1157. SHRI BASUDEB MOHAPATRA; Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering a proposal for relaxation of RBI rules for loans and extension of time for interest payment to pave the way for restarting sick and closed industries in the country; and

(b) if so, what are the details of the said proposal?

THE FINANCE MINISTER (PROF. MADHU DANDAVATE); (a) and (b) Reserve Bank of India (RBI has reported that there is no proposal for modification of their existing guidelines in the matter. However, issues relating to problems of sick units and measures for their rehabilifation are reviewed on an ongoing basis.

Revised electoral rolls in Assam

1158. SHRI MURLIDHAR CHANDRAKANT BHANDARE; Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether it is a fact that the United Minority Front in Assam submitted a memorandum to the Prime Minister during his recent visit to Assam with regard to the revision of electoral rolls in Assam, and

(b) if so, what were the specific issues raised and demands made by the front?

THE MINISTER OF STEEL AND MINES WITH ADDITIONAL CHARGE OF THE MINISTRY OF LAW AND JUSTICE (SHRI DINESH GOSWAMI); (a) Yes, Sir. '

(b) Non-inclusion and deletion of eligible voters from the voters' list was one specific issue raised in the memorandum. The Front had accordingly demanded a review of the finally published electoral rolls.

Visit of the chief of Fairfax Intelligence Agency to India

1159. SHRI BEKAL UTSAHI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Chief of the Fairfax Intelligence Agency, Michael Hershman, visited Delhi in the third week of January, 1990 on an invitation from the Government of India; and

(b) if so, what are details in this regard?

THE FINANCE MINISTER (PROF. MADHU DANDAVATE); (a) No, **Sir.**

(b) Does'not arise.

Assessment of incidence of indirect taxes and subsidies

1160. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have conducted any study through the National Institute of Public Finance **and** Policy to assess the incidence of indirect taxes and subsidies as was stated in the Long Term Fiscal Policy statement in December, 1985;

(b) whether the benefit of food and fertilizer subsidies have trickled down to poorer sections of our society;

(c) whether the Government are considering to substitute converted subsidies by coverted subsidies ensuring the regressiveness of fiscal benefits; and

(d) if so, the details thereof?

THE FINANCE MINISTER (PROF. MADHU DANDAVATE); (a) The National Institute of Public Finance and Policy had submitted a study on "Indirect Taxes in India An Incidence Analysis" in 1988.

(b) and (c) Foodgrains and'fertilizers are supplied at subsidised prices. Specially subsidised foodgrains supplies to I.T.D.P. areas anoT"tribal majority States and for Jawahar Rozgar Yojna in particular cater mainly to the poorer sections. There is no proposal, at present, to change the procedure/policy about the grant of subsidy.

(d) Does not arise.

Rupee-Rouble Exchange Rate

1161. SHRI KRISHNA KUMAR BIRLA:

SHRI KAPIL VERMA;

SHRIMATI SATYA BAHIN:

SHRIMATI SURYAKANTA PATIL:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that where as the Indian rupee has been devalued steadily against major currencies the Rupee-Rouble exchange rate has not been revised.

(b) if so, what are the reasons therfor;

(c) what is its impact on our export earnings;

(d) whether Government propose to review the exchange rate policy; and

(e) if so, what are the details in this regard?

THE FINANCE MINISTER (PROF. (MADHU DANDAVATE): (a) No, Sir.

(b) Does not arise.

(c) There does not appear to be any evidence to suggest that movements In the Rupee-Rouble Exchange rate have adversely affected India's export earnings from the USSR.

(d) and (e) The Rupee-Rouble exchange rate is governed by the inter-Governmental Protocol entered into in Novembr 1978. Discussions were held with the Government of USSR in Feb-ruray, 1990 on certain aspects of the 1978 Protocol.

Achievements of Long Term: Fiscal Policy

1162. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) what are the principal economic achievements made by the Long Term Fiscal Policy announced by Government in December, 1985;

(b) what are the areas in which the stated objectives have fallen short of expectations;

(c) whether Government intend to bring out a new Long Term Fiscal Policy for the Eighth Five Year Plan period; and

(d) if so, what are the details thereof?

THE FINANCE MINISTER (PROF. MADHU DANDAVATE): (a) and (b) The Long Term Fiscal Policy (LTFP) *inter-alia* envisaged: stability in the rate schedule for taxes on personal income and wealth; simplification of direct taxes; strengthening the incentives for saving; review of capital gains taxation; abolition of surchage and to progressively reduce the role of Value Added Tax; and increasing reliance on tariffs to regulate imports and to progressively reduce the role of quantitative restrictions etc. M03t of the major elements of the LTFP have, been implemented through successive Budgets.

(c) and (d) A new Long Term Fiscal Policy for the period 1990-95 is under formulation.

IMF Loans

1163. SHRI DIPEN GHOSH Will the Minister of FINANCE be pleased to state: T

(a) whether Government propose to apply for some more IMF loans in the near future; and

(b) if so, what are the details there-of?